

D.P.U. 91-234-D

Petition of Commonwealth Electric Company and Cambridge Electric Light Company, pursuant to M.G.L. c. 164, §§ 69I, 76, 94, and 220 C.M.R. §§ 10.00 et seq., for review of the procedures by which additional energy resources are planned, solicited, and procured by Commonwealth Electric Company and Cambridge Electric Light Company.

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APPEARANCES: James M. Avery, Esq.  
Carol E. Kazmer, Esq.  
Emmett E. Lyne, Esq.  
Rich, May, Bildeau & Flaherty  
294 Washington Street  
Boston, Massachusetts 02108-4675  
FOR: COMMONWEALTH ELECTRIC COMPANY AND  
CAMBRIDGE ELECTRIC LIGHT COMPANY  
Petitioners

L. Scott Harshbarger, Attorney General  
By: William M. McAvoy  
Assistant Attorney General  
131 Tremont St.  
Boston, Massachusetts 02111  
Intervenor

David S. Rosenzweig, Esq.  
Robert N. Werlin, Esq.  
Keohane & Keegan  
21 Custom House Street  
Boston, Massachusetts 02110  
FOR: COALITION OF NON-UTILITY GENERATORS, INC.  
Intervenor

Dennis J. Duffy, Esq.  
Partridge, Snow & Hahn  
180 South Main Street  
Providence, Rhode Island 02903-7104  
FOR: BURRILLVILLE ENERGY CORP.  
Intervenor

Robert H. Russell, Esq.  
Conservation Law Foundation  
62 Summer Street  
Boston, Massachusetts 02110  
FOR: CONSERVATION LAW FOUNDATION OF  
NEW ENGLAND, INC.  
Intervenor

Philip M. Small, Esq.  
P.O. Box 270  
Hartford, Connecticut 06141-0270  
FOR: WESTERN MASSACHUSETTS ELECTRIC  
COMPANY  
Intervenor

Andrew J. Newman, Esq.  
Rubin & Rudman  
50 Rowes Wharf  
Boston, Massachusetts 02110  
FOR: MASSACHUSETTS INSTITUTE OF TECHNOLOGY  
Intervenor  
SESCO, INC.  
Intervenor

Christine Constan Erickson, Esq.  
Division of Energy Resources  
100 Cambridge Street, Room 1500  
Boston, Massachusetts 02202  
FOR: DIVISION OF ENERGY RESOURCES  
Intervenor

Mary Beth Gentleman, Esq.  
Foley, Hoag & Eliot  
One Post Office Square  
Boston, Massachusetts 02109  
FOR: TENASKA MASS, INC.  
Intervenor  
CESWAY, INC.  
Intervenor

Meabh Purcell, Esq.  
LeBoeuf, Lamb, Greene & MacRae  
260 Franklin Street  
Boston, Massachusetts 02110-3173  
FOR: FITCHBURG GAS & ELECTRIC LIGHT COMPANY  
Intervenor

Michael K. Crossen, Esq.  
Philip L. Sussler, Esq.  
Rubin & Rudman  
50 Rowes Wharf  
Boston, Massachusetts 02110  
FOR: MASSACHUSETTS RESTAURANT ASSOCIATION  
Intervenor

Catherine J. Keuthen, Esq.  
Boston Edison Company  
800 Boylston Street  
Boston, Massachusetts 02199  
FOR: BOSTON EDISON COMPANY  
Intervenor

Alan Nogee  
Massachusetts Public Interest Research Group  
29 Temple Place  
Boston, Massachusetts 02111-1305  
FOR: MASSACHUSETTS PUBLIC INTEREST  
RESEARCH GROUP  
Intervenor

James G. White, Jr., Esq.  
Bernstein, Cushner & Kimmell  
One Court Street  
Boston, Massachusetts 02108  
FOR: CES/WAY INTERNATIONAL, INC.  
Intervenor

David A. Fazzone, Esq.  
McDermott, Will & Emery  
75 State Street  
Boston, Massachusetts 02109-1807  
FOR: EASTERN EDISON COMPANY  
Interested Person

Robert Place  
New England Cogeneration Association  
P.O. Box 2781  
Boston, Massachusetts 02208  
FOR: NEW ENGLAND COGENERATION  
ASSOCIATION  
Intervenor

Seth Tuler  
945 Main Street, Box 917  
Worcester, Massachusetts 01610-1498  
FOR: MASSACHUSETTS SAVE JAMES BAY, INC.  
Intervenor

Mark E. Slade, Esq.  
Massachusetts Electric Company  
25 Research Drive  
Westborough, Massachusetts 01582  
FOR: MASSACHUSETTS ELECTRIC COMPANY  
Interested Person

Stephen Cook  
Greater New Bedford No-COALITION  
P.O. Box 50130  
FOR: GREATER NEW BEDFORD NO-COALITION  
Interested Person

Matthew C. Patrick  
Post Office Box 28  
Hyannis, Massachusetts 02601  
FOR: CAPE AND ISLANDS SELF-RELIANCE CORP.  
Interested Person

Frederick T. Hayes  
International Brotherhood of Boilermakers  
68 Sagamore Street  
Quincy, Massachusetts 02171-1994  
FOR: INTERNATIONAL BROTHERHOOD OF  
BOILERMAKERS, IRON SHIP BUILDERS,  
BLACKSMITHS, FORGERS & HELPERS, LOCAL 29  
Interested Person

## I. INTRODUCTION

On June 3, 1994, the Commonwealth Electric Company ("Commonwealth") and Cambridge Electric Light Company ("Cambridge") (together, "Companies") submitted their integrated resource management ("IRM") Phase IV filing to the Department of Public Utilities ("Department") for review,<sup>1</sup> and on June 21, 1994, submitted a supplement to their Phase IV filing.<sup>2</sup> On June 29, 1994, the Companies submitted additional contracts with project developers for Department review. On June 30, 1994, the Department issued its Order in review of the Companies' Phase IV filing. Commonwealth Electric Company and Cambridge Electric Light Company, D.P.U. 91-234-C (1994) ("D.P.U. 91-234-C").<sup>3</sup>

## II. PHASE IV REVIEW

Pursuant to 220 C.M.R. § 10.06(3), the Department reviews final contracts reached between electric companies and award group project developers, and either approves or disapproves such contracts. In D.P.U. 91-234-B, the Department approved an award group that, for Commonwealth, included retrofit programs by Citizens Conservation Corporation ("Citizens") and Conservation Services Group ("CSG") in the residential non-heat sector, Syracuse Energy Services Company, Inc. ("SYRESCO") and CSG in the residential heat sector, Northeast Energy Services, Inc. ("NORESCO") and DMC Services, Inc. in the small

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<sup>1</sup> On June 3, 1994, the Companies submitted DSM energy savings agreements between Cambridge and EIA Cogenex Corporation, Commonwealth and EIA Cogenex Corporation, Commonwealth and Acushnet Company, Rubber Division, and Cambridge and HEC, Inc.

<sup>2</sup> On June 21, 1994, the Companies submitted DSM energy savings agreements between Commonwealth and DMC Services, Inc., and Cambridge and DMC Services, Inc.

<sup>3</sup> Review of contracts submitted on June 29, 1994 was not included in D.P.U. 91-234-C.

general-use sector, and NORESCO, Achushnet Company, Tittley & Foot-Joy, Aerovox, Inc., EJA Cogenex Corporation, and HEC, Inc. in the medium/large general-use sector.<sup>4</sup>

For Cambridge, the Department approved an award group that included retrofit programs by Citizens and SESCO, Inc. in the residential non-heat sector; Citizens and SESCO, Inc. in the residential heat sector, DMC Services, Inc. in the small general-use sector, and NORESCO, Esplanade Condominiums, EJA Cogenex Corporation, Proven Alternatives, Inc., Kenetech Energy Management, Inc., and HEC, Inc. in the medium/large general-use sector.<sup>5</sup>

The ILM regulations provide that an electric company shall negotiate contracts with project developers, and that final contracts shall be filed with the Department for approval during Phase IV. 220 C.M.R. § 10.06(2). The ILM regulations further provide that an electric company and project developers may agree to the terms and conditions of the long-run standard contract approved by the Department, and that the electric company shall indicate how the final contract varies from the long-run standard contract. Id.<sup>6</sup> The ILM regulations require the Department to review final contracts between an electric company and

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<sup>4</sup> In addition, the award group included new construction programs offered by Commonwealth in all sectors.

<sup>5</sup> In addition, the award group included new construction programs offered by Cambridge in all sectors.

<sup>6</sup> The Companies long-run standard contracts were reviewed and approved by the Department in Phase I of this proceeding. Commonwealth Electric Company and Cambridge Electric Light Company, D.P.U. 91-234-A (1993).

project developers to determine whether they comply with the I RM regulations, and are in the public interest. Id.

On June 29, 1994, the Companies submitted energy savings agreements between Commonwealth and NORESCO (for identified services), Commonwealth and NORESCO (for prototype services), Commonwealth and NORESCO (small general-use), Cambri dge and NORESCO (medium large), and Commonwealth and Titledist & Foot-Joy. With the final contracts, the Companies submitted summaries of how the individual contracts differ from the long-run standard contract.

The Department finds that the energy savings agreements between Commonwealth and NORESCO (for identified services), Commonwealth and NORESCO (for prototype services), Commonwealth and NORESCO (small general-use), Cambri dge and NORESCO (medium large), and Commonwealth and Titledist & Foot-Joy are consistent with the I RM regulations and are in the public interest. Accordingly, the Department approves these contracts.

V. ORDER

After due consideration, it is

ORDERED: That the energy savings agreement between Cambridge Electric Light Company and NORESCO (medium large) is approved; and it is

FURTHER ORDERED: That the energy savings agreements between Commonwealth Electric Company and NORESCO (for identified services), Commonwealth Electric Company and NORESCO (for prototype services); Commonwealth Electric Company and NORESCO (small general-use), and Commonwealth Electric Company and Titleist & Foot-Joy are approved.

By Order of the Department,

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Kenneth Gordon, Chairman

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Barbara Kates-Garnick, Commissioner

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Mary Clark Webster, Commissioner



Appeal as to matters of law from any final decision, order or ruling of the Commission may be taken to the Supreme Judicial Court by an aggrieved party in interest by the filing of a written petition praying that the Order of the Commission be modified or set aside in whole or in part.

Such petition for appeal shall be filed with the Secretary of the Commission within twenty days after the date of service of the decision, order or ruling of the Commission, or within such further time as the Commission may allow upon request filed prior to the expiration of twenty days after the date of service of said decision, order or ruling. Within ten days after such petition has been filed, the appealing party shall enter the appeal in the Supreme Judicial Court sitting in Suffolk County by filing a copy thereof with the Clerk of said Court. (Sec. 5, Chapter 25, G.L. Ter. Ed., as most recently amended by Chapter 485 of the Acts of 1971).